

**TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE**



**FISCAL NOTE**

**HB 39 - SB 75**

January 24, 2011

**SUMMARY OF BILL:** Adds inflatable rides, slides and houses, go-karts, and climbing walls to the list of amusement devices that require a permit for operation and are inspected for safety by the Department of Labor and Workforce Development (LWFD).

**ESTIMATED FISCAL IMPACT:**

**Increase State Revenue – \$87,300/Recurring**  
**Increase State Expenditures – \$20,000/One-Time**  
**\$46,300/Recurring**

**Assumptions:**

- LWFD estimates there will be 2,500 go-kart inspections, 50 climbing wall inspections, and 200 inflatable device inspections each year.
- LWFD will charge an inspection fee of \$15 for each go-kart, \$100 for each climbing wall, and \$100 for each inflatable device.
- The increase to inspection fee revenue is estimated to be approximately \$62,500 per year [(2,500 go-karts x \$15 fee) + (50 climbing walls x \$100 fee) + (200 inflatable devices x \$100 fee)]. These fees will go to the General Fund.
- LWFD estimates that there will be 165 new permits issued each year. The fee for each permit is \$150 per year. The increase to permit fee revenue is estimated to be \$24,800 per year (165 total permits x \$150 fee). These fees will go to the General Fund.
- According to the Department of Labor and Workforce Development, one additional amusement device inspector will be required to inspect the additional devices. One-time state expenditures from the General Fund associated with adding the new position will be \$20,000 (\$7,400 office equipment and supplies + \$12,600 training and certification).

- A recurring increase to state expenditures from the General Fund resulting from the additional position will be approximately \$46,300 (\$30,100 salary + \$6,800 benefits + \$5,600 insurance + \$3,000 travel expenses + \$300 office supplies + \$500 equipment replacement fund).

**CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.



James W. White, Executive Director

/jaw